

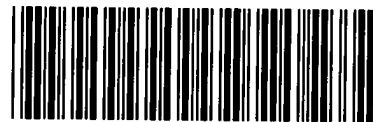
AM03

Notice of administrator's proposals



Companies House

WEDNESDAY



A9B9BAEP

A02

12/08/2020

#87

COMPANIES HOUSE

1 Company details

Company number 07014455
Company name in full AA Lighting Contractors Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Lloyd Edward
Surname Hinton

3 Administrator's address

Building name/number Allan House
Street 10 John Princes Street
Post town London
County/Region
Postcode W1G 0AH
Country

4 Administrator's name

Full forename(s) Mark
Surname Newton

1 Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address

Building name/number Allan House
Street 10 John Princes Street
Post town London
County/Region
Postcode W1G 0AH
Country

2 Other administrator
Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

6

Statement of proposals



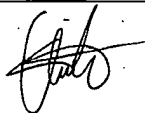
I attach a copy of the statement of proposals

7

Sign and date

Administrator's
Signature

Signature



Signature date

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8

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AM03 Notice of Administrator's Proposals



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Sabrina Frappaolo**

Company name **Insolve Plus Ltd**

Address **Allan House**
10 John Princes Street

Post town **London**

County/Region

Postcode **W 1 G 0 A H**

Country

DX

Telephone **020 7495 2348**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Private and Confidential

Our ref: KL/A108H/3.1

12 August 2020

Dear Sirs

**AA Lighting Contractors Limited ("the Company") – In Administration
In the High Court of Justice Business & Property Courts of England & Wales Insolvency
& Companies Court Number 002953 of 2020**

I write to advise you that Mark Newton and I were appointed as Joint Administrators of the above Company on 30 July 2020. I enclose formal notice of our appointment.

I intend to take advantage of the legislative provisions whereby I can put future documentation relating to the Administration on to a website and need not write to creditors to notify them that I have done so. Further information about this is set out in the enclosed notice.

I would advise you that immediately upon appointment I effected a sale of the Company's business and assets to FMJ Solutions Limited. This is known as a pre-pack sale and further information about the sale, and the reasons for undertaking it, are included in my proposals for acting as Administrator, a copy of which are attached.

I am seeking decisions by correspondence from the creditors to approve the Administrators' proposals, approve the Administrators' pre-administration costs, fix the basis of the Administrators' remuneration and to approve certain disbursements known as category 2 disbursements. If you wish to vote on the decisions, you must complete and return the enclosed voting form to me by no later than 23.59 on 28 August 2020, the decision date. If you have not already submitted proof of your debt, please complete the enclosed form and return it to me, together with the relevant supporting documentation. Your vote on the resolution(s) will not count unless you have lodged proof of your debt by no later than 23.59 on 28 August 2020.

You are also invited to determine whether to form a Creditors' Committee, and a notice of invitation to form a Creditors' committee and further instructions are enclosed. To enable you to make an informed decision as to whether you wish to either seek to form a Committee, or to nominate yourself to serve on a Committee, further information about the role of the Committee and what might be expected from its members has been prepared by R3 and can be found is available at the link <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/more/29111/page/1/liquidation-creditors-committees-and-commissioners/>

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within 5 business days of the delivery of the notice that accompanies this letter, such requests must be supported by valid proof of their debt if not already lodged. I will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

The following documents are enclosed with this letter:

- Proposals
- Notice of decisions for which approval is sought;
- Voting Form;
- Notice of invitation to form a Creditors' Committee and
- Proof of debt form.

As a result of my appointment you are an unsecured creditor of the Company in respect of the money owed to you. You will appreciate that at present I cannot make any payment to creditors of the Company in respect of any debts arising prior to my appointment. Whilst it is the responsibility of the directors to provide me with details of the debts owed by the Company, it would be of assistance to me if you would forward details of your claim to me.

If you consider that you have supplied goods to the Company that are subject to reservation of title, I should be grateful if you would notify me of this fact within the next 10 days. If you do not notify me of any reservation of title claims you consider you have within the next 10 days, then I will assume that you have no such claim to the goods you have supplied to the Company.

If you have supplied the Company with equipment, vehicles etc that are subject to a finance agreement, or have hired equipment, vehicles etc to the Company then you should forward to me proof of ownership and a detailed description of the items concerned.

Please note that under the insolvency legislation you are not able to enforce any finance agreements, reservation of title claims, or security held over the Company's assets without my consent or that of the Court. In addition, you cannot commence, or continue, any other proceedings, execution, distress or other legal process against the Company except with my consent or that of the court.

As part of my statutory duties, it is my responsibility to report on the conduct of the directors of the Company and also to consider any areas requiring investigation with a view to making asset recoveries. I should be pleased to receive from you any information that you have about the way that the Company's business was conducted or potential asset recoveries that you consider will assist me.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.insolveplus.com/faq. There are different versions of these Guidance Notes, and in this case please refer to the April 2017 version. Please note that we have also provided further details in the practice fee recovery sheet.

If you do not wish to receive any future documents regarding the insolvency proceedings, you may elect to become an opted out creditor at any time by notifying me in writing that you wish to opt out of future documents. Once you have opted out, you will remain as such unless, or until, you revoke your notice to opt out in writing. Please note that I am still required to notify you of certain aspects of the insolvency proceedings, in particular regarding dividends. Further information regarding opting out is enclosed.

As Insolvency Practitioners, when carrying out all professional work relating to an insolvency appointment, Mark Newton and I are bound by the Insolvency Code of Ethics, as well as by the regulations of our professional body.

Mark Newton and I can confirm that we have not identified any threats to the ethical fundamental principles in respect of this case.

To comply with the Provision of Services Regulations, some general information about Insolve Plus, including about our complaints policy and Professional Indemnity Insurance, can be found at <https://insolvedirect.com/privacy-policy/>

Insolve Plus uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Insolve Plus uses your personal information on our website at <https://insolvedirect.com/privacy-policy/>

If you have any queries regarding the conduct of the Administration, or if you want hard copies of any of the documents made available on-line, you should contact Sabrina Frappaolo by email at sabrinafrappaolo@insolveplus.com or by phone on 020 7495 2348

Finally, please note that the affairs, business and property of the Company are being managed by the Joint Administrators, Lloyd Hinton and Mark Newton. The Joint Administrators act as agents of the Company and contract without personal liability.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Lloyd Hinton', written over a horizontal line.

Lloyd Hinton FIPA
Joint Administrator

Enc.

Information to creditors on opting out

AA LIGHTING CONTRACTORS LIMITED - In Administration

Company Number 07014455

Notice is given by Lloyd Hinton and Mark Newton to the creditors of AA Lighting Contractors Limited that creditors have the right to elect to opt out of receiving further communication about the insolvency procedure under rule 1.39 of The Insolvency (England and Wales) Rules 2016.

Any creditor may elect to become an opted-out creditor at any time, by delivering a dated notice of the request, in writing to me.

A creditor becomes an opted-out creditor when the notice is delivered to me.

Any creditor who elects to opt-out remains as such for the duration of the proceedings unless the opt out is revoked by a further notice in writing, dated and delivered to me.

A creditor ceases to be an opted-out creditor when the notice is received by me.

The opt out will not apply to the following:

- (i) a notice which the Insolvency Act 1986 requires to be delivered to all creditors without expressly excluding opted-out creditors;
- (ii) a notice of a change in the office-holder or a notice of a change in my contact details, or
- (iii) a notice of a dividend or proposed dividend or a notice which the court orders to be sent to all creditors or all creditors of a particular category to which the creditor belongs;

Opting-out will not affect a creditor's entitlement to receive dividends should any be paid to creditors.

Opting-out will not affect creditors' rights to vote in a decision procedure or to participate in a deemed consent procedure, although any creditor who opts-out will not receive notice of it.

Any creditor who opts out will be treated as having opted out in respect of consecutive insolvency proceedings of a different kind in respect of the same company.

Creditors requiring further information regarding the above, should either contact me at Allan House, 10 John Princes Street, London, W1G 0AH, or contact Sabrina Frappalò by email at sabrinafrappalo@insolveplus.com, or by phone on 020 7495 2348.



Signed _____
Lloyd Hinton FIPA, Joint Administrator

Dated _____ 12 August 2020 _____

Notice to office holder to opt out of further correspondence

Name _____ of _____ creditor:

I, the above named, give notice that I elect to become an opted-out creditor and no longer wish to receive communication relating to the insolvency proceedings of AA LIGHTING CONTRACTORS LIMITED.

Signature of creditor: _____

Date: _____

Notice to office holder to revoke opt out

Name _____ of _____ creditor:

I, the above named, give notice that I wish to revoke the notice of opt out and require receipt of future communication relating to the insolvency proceedings of AA LIGHTING CONTRACTORS LIMITED.

Signature of creditor: _____

Date: _____

Notice of use of website to deliver future documents

AA LIGHTING CONTRACTORS LIMITED - IN ADMINISTRATION

Company Number 07014455

Notice is given that under rule 1.50 of The Insolvency (England and Wales) Rules 2016, future documentation from the date of this notice, relating to the insolvency of the above will be made available at www.ips-docs.com

1. Future documentation will be made available for viewing and downloading at www.ips-docs.com using username A108H and password LEHA108H, without further notice to creditors.
2. The Joint Administrators are not obliged to deliver any particular document to any person unless it is specifically requested.
3. Hard copies of all documents currently available on the website and all future documents which may be made available on the website can be requested by telephone on 020 7495 2348, or by email at sabrinafrappaolo@insolveplus.com or in writing at Allan House, 10 John Princes Street, London, W1G 0AH.
4. This notice does not apply to the following circumstances:
 - i) Documents where personal delivery is required
 - ii) A notice of intention to declare a dividend
 - iii) Documents that are not being delivered generally, i.e. where they are only be sent to one or a small number of a particular class of members or creditors

Creditors requiring further information regarding the above, should either contact me at Allan House, 10 John Princes Street, London, W1G 0AH, or contact Sabrina Frappaolo by email at sabrinafrappaolo@insolveplus.com, or by phone on 020 7495 2348.



Signed _____
Lloyd Hinton FIPA, Joint Administrator

Dated 12 August 2020

*Delete as applicable

Prescribed forms were abolished and replaced with prescribed content by the Insolvency (England and Wales) Rules 2016, to which reference should be made as to the requirements in this precedent.

AM - Notice of appointment of an administrator by the directors of a company (where notice of intention to appoint has been given)



CR-2020-002953

IN THE MATTER OF AA LIGHTING CONTRACTORS LIMITED

Court Reference No: CR-2020-002953

[IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INSOLVENCY AND COMPANIES LIST (ChD)]

IN THE MATTER OF THE INSOLVENCY ACT 1986

If not a UK Registered Company or an unregistered company see r. 1.6

Name of Company
AA Lighting Contractors Limited
Company number 07014455

(a) Insert name and address of registered office of the company

1. Notice is given that, in respect of (a) AA Lighting Contractors Limited ("the company")

* Delete as applicable

the director of the company ("the appointor") hereby appoints

(b) Insert full name(s), postal address(es), IP number and either an email address or contact telephone number for the proposed administrator(s)

(b) Lloyd Edward Hinton (IP number 9516 Insolvency Practitioners Association ("IPA") and Mark Rodney Newton (IP number 9732 IPA) both of Insolve Plus, Allan House, 10 John Princes Street, London, W1G 0AH as joint as administrator(s) of the company.

(c) Amend as applicable
(d) Insert time and date of appointment (Rule 3.24(1)(j))

2. The (c) administrators appointment is made on the date and at the time this notice is endorsed by the court as having been filed.

3. The proposed administrator's statement and consent to act as per IR2016 Rule 3.2 accompanies this notice.

4. The appointor is entitled to make an appointment under paragraph 22 of Schedule

B1 to the Insolvency Act 1986.

5. This appointment is in accordance with Schedule B1 to the Insolvency Act 1986.

*Delete as applicable

6. The company is not an insurance undertaking/a credit institution/ investment firm or other firm, institution or undertaking covered by Directive 2001/24/EC/ or a collective investment undertaking under Articles 1.2 and 2.2 of the Recast Regulation on Insolvency 2015/848.

- (e) Insert whether main, secondary, territorial proceedings or non EU proceedings
(f) Insert reasons

7. The proceedings will be (e) main proceedings as defined in Article 3 of the Recast Regulation on Insolvency 2015/848 (as defined in the Insolvency (England and Wales) Rules 2016, r 1.2) for the following reasons: (f) the company's Centre of main interest is in England.

8. Where there are joint administrators, as required by paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the following functions (if any) are to be exercised by the joint administrators jointly and severally

- (g) Insert functions

9. The appointor has given written notice of the intention to appoint in accordance with paragraph 26(1) of Schedule B1 to the Insolvency Act 1986 and a copy of that notice was filed at court on (h) 16 July 2020 and

- (h) Insert date

*(a) five business days have elapsed since notice was given under paragraph 26(1) of Schedule B

- (i) Insert name and address of person making declaration

I (i) Robin Ionut Anghel, Unit 1, London Road, Twyford, Reading, Berkshire, England, RG10 9TZ

(If making the declaration on behalf of appointor indicate capacity e.g. director/solicitor)

hereby do solemnly and sincerely declare that:

- (i) The appointor is entitled to make the appointment under paragraph 22 of Schedule B1 to the Insolvency Act 1986;
(ii) The appointment is in accordance with Schedule B1 to the Insolvency Act 1986;
(iii) The statements made, and information given, in the statutory declaration filed with the notice of intention to appoint remain, so far as I am able to ascertain, accurate, and that the information provided in this notice is to the best of my knowledge and belief true,

AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835.

Declared at WHITE HOUSE RD IPSLT.
UNIT 4 DEUCORA BUSINESS PARK.

Signed

This 30 day of July 2020

before me

R Adams

Declaration made by way of video conference in accordance with paragraph 9 of the Temporary Insolvency Practice Direction 2020.

ROBYN ADAMS

Solicitor
Debenhams Ottaway, Ivy House, 107 St Peter's Street, St Albans, AL1 3EW

A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor or Duly Authorised Officer

- (j) Insert date and time of appointment under IR2016, rule 3.24 (i)(j)

Endorsement to be completed by the court

This notice was filed (j) 30th July 2020 at 11.12am

**Joint Administrators' Proposals relating to
AA Lighting Contractors Limited ("the Company") – In Administration**

Issued on: 12 August 2020

Delivered to creditors on: 14 August 2020

Mark Newton and I are the Joint Administrators of the Company and these are our statutory proposals relating to the Company.

I. STATUTORY INFORMATION

Company Information

Company name: AA Lighting Contractors Limited
Previous name: N/A
Trading name: N/A
Company number: 07014455
Date of incorporation: 9 September 2009
Trading address: Unit 1 The Piggery, London Road, Twyford RG10 9TZ
Current registered office: Allan House, 10 John Princes Street, London W1G 0AH
Former registered office: Unit 1 London Road, Twyford, Reading, RG10 9TZ
Principal trading activity: Electrical Installation

Appointment Details

Administrators: Lloyd Hinton and Mark Newton
Administrators' address: Insolve Plus Ltd, Allan House, 10 John Princes Street, London W1G 0AH
Date of appointment: 30 July 2020
Court name and reference: High Court of Justice
No 002953 of 2020
Appointment made by: Robin Anghel, the Director
Actions of Administrators: Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

Officers of the Company:

Directors:	Name:	Shareholding
	Robin Ionut Anghel	100%
Company secretary:	Name:	Shareholding
	N/A	

Share capital

Authorised

Allotted, called up and fully paid

40 ordinary shares of £1 each

40 ordinary shares of £1 each

Charges

HSBC Bank Plc ("HSBC") hold a fixed and floating charge over all assets which was created on 12 May 2017 and delivered on 17 May 2017. This charge remains outstanding.

2. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATORS

Creditors should note that, unless otherwise stated, this section of my proposals has been prepared based on information provided to me by the directors of the Company and not from my personal knowledge as Administrator.

AA Lighting Contractors Limited ("the Company") was incorporated on 9 September 2009 by Mr Robin Ionut Anghel and Mr Dumitru Virgil Tatomir to provide lighting services, predominantly installing and maintaining street lighting for local authorities.

Prior to incorporation, Mr Anghel had gained extensive experience in the construction industry and Mr Tatomir was a qualified electrician. In August 2009, both individuals identified an opportunity in street lighting and decided to jointly launch a new venture.

At the outset, the Company was funded by the Directors personally and soon it reached a level of self-sustainability. The business traded successfully and developed to a point where it became a one-stop shop and a leading street lighting specialist contractor. The Company provided design, installation, cabling/jointing and maintenance that specifically caters to its clients.

The Company had gained industry recognition including numerous accreditations. During the short period since its incorporation, the Company became a tier one and tier two contractor, securing long-term contracts and works with both blue chip companies and government departments. By September 2016, the Company employed 64 members of staff.

Around the same time as the Brexit vote in mid-2016, the Company started facing increased competition in the industry. Costs for labour and sub-contractors increased and it was not possible to pass these additional overheads to the customers. Accordingly, the Company's gross profit margin decreased from 25.38% in 2016 to 21.5% in 2017. In seeking to cope with the changing marketplace, the Company entered into several contracts that ultimately prove to be unprofitable.

Both Directors were making efforts to resolve the impact on the Company due to increased labour costs but unfortunately held differing visions for the future of the business. This resulted in a management deadlock and subsequent dispute. A consequence of this was that following substantial negotiations, the Directors decided that the best option for the Company would be that they go their separate ways. Mr Tatomir left the business, his shares were cancelled, and he resigned as a Director on 8 August 2017. The Company was not rendered insolvent by the share cancellation according to the balance sheet as at 30 September 2017.

In order to continue operations, Mr Anghel refinanced the Company with a loan from HSBC Bank plc, to which he provided his personal guarantee and security by way of a fixed and floating charge over the Company's assets.

The Company continued to face increased competition in its marketplace. This was not aided by the loss of Mr Tatomir who had generated a formidable level of business contacts. Anticipated profit margins on a number of what transpired to be poor contracts, did not materialise.

These problems were compounded by debtors seeking to negotiate increased payment terms, giving rise to cash-flow difficulties:

Due to late payments to HM Revenue & Customs ("HMRC"), the Company became liable to pay surcharge penalties and did not have sufficient cash flow to settle the penalties. The Company began negotiations with HMRC and successfully agreed a Time to Pay Arrangement.

In order to improve cash and the overall financial position of the Company, the Director took the following measures:

1. Obtaining new accreditations for overhead lines;
2. Applied for new accreditations for High Voltage work;
3. Teamed up with other major street lighting companies to bid for new work;
4. Increased the marketing strategy to generate further income;
5. Lowered staff numbers to 37 full time staff;
6. Terminated unprofitable contracts;
7. Restructured and streamlined the management of the business;
8. Implemented a general cost cutting exercise throughout the Company.

As part of the restructuring plan, Mr Anghel proposed a Company Voluntary Arrangement ("CVA") which was considered and accepted with modifications by Creditors on 21 December 2018. Mark Reynolds of Valentine & Co and Daniel Leigh of Leigh Consultancy Limited were appointed as Joint Supervisors ("the Joint Supervisors").

The Company was to contribute monthly payments of £12,300 per month for a period of 63 months. In addition, the Director was to make monthly payments of £2,300 in respect of his overdrawn loan account.

The company continued to keep up to date with its monthly contributions in the CVA until February 2020.

On the 27 April 2020 the Joint Supervisors wrote to creditors advising them that the Company was in breach of the terms of the CVA proposals for the following reasons:

1. A post CVA payment had not been made to HM Revenue & Customs within the specified time.
2. The company is in arrears of CVA contributions for the month of March 2020.
3. The total value of creditor claims received by the Joint Supervisors exceeded 10% of the stated value of creditors within the statement of affairs declared at the time of the proposal.

The Director had been expecting a substantial sum from one particular debtor which had been delayed. This, together with the COVID-19 pandemic had an immediate and significantly adverse impact on the Company's cash flow. The Company was unable to make contributions for the foreseeable future due to reduced trading operations.

A variation to the proposals was sent to creditors whereby the director would settle his overdrawn loan account in full, and a single final contribution of £100,000 be paid.

The CVA variation proposal was rejected by creditors and therefore the director was left with no alternative other than to seek further advice.

As a result, a Notice of Intention to Appoint an Administrator was filed by the Director.

A summary of the Company's recent trading performance is shown below.

		Management Accounts	Accounts	Accounts
		Year to Date	Year Ended	Year Ended
		March 2020 £	30 Sept 2019 £	30 Sept 2018 £
Turnover		2,581,052	5,136,643	13,009,280
Cost of Sales		(1,952,156)	(4,438,241)	(10,872,570)
Gross Profit		698,402	698,402	2,136,710
Administrative Expenses		(517,126)	(1,129,043)	(2,033,116)
Operating Profit/Loss		111,770	(430,641)	103,594

It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the Company's true trading position.

Prior to the commencement of the Administration Insolve Plus acted as advisors to the Board as a whole acting on behalf of the Company. No advice was given to the individual directors regarding the impact of the insolvency of the company on their personal financial affairs. Whilst not formally in office at that time, Insolve Plus was still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics.

As required by the Insolvency Code of Ethics, Mark Newton and I considered the various threats to our objectivity arising from this prior involvement. We concluded that those threats were at an acceptable level such that we could still act objectively and hence could be appointed Administrators of the Company.

On 30 July 2020, Mark Newton and I were appointed by Robin Anghel as Joint Administrators of the Company and took over from the Board responsibility for the management of the affairs, business and property of the Company. The appointment permitted the Joint Administrators to take any actions required either jointly or alone, and I have been the Administrator primarily involved in dealing with the Company's affairs.

3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATORS' STRATEGY FOR ACHIEVING THEM

As Administrators of the Company, Mark Newton and I are officers of the Court, and must perform our duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:

- (a) rescue the Company as a going concern; or
- (b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or

- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

Objective (a) could not be achieved as the Company was already subject to a CVA.

As a result, we are seeking to achieve objective (b) for the Company, and will do this by completing a pre-pack sale of the business together with the enhanced debtor realisations which are anticipated as a result of the continuity of the underlying business and the adoption of the defects liability.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If we are unable to complete the Administration of the Company within 12 months then we will either apply to the Court, or seek a decision from the creditors to extend the duration of the Administration.

4. ACTIONS OF THE ADMINISTRATORS FOLLOWING APPOINTMENT

Immediately following the commencement of the Administration, the Director was notified of our appointment. Statutory documentation has been filed with the Registrar of Companies and the High Court and notice to advertise our appointment has been sent to the London Gazette.

These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

Solicitors, Keidan Harrison LLP of 44 Southampton Buildings, London WC2A 1AP were instructed to prepare the sale agreement in relation to the sale of assets. The assets were sold immediately upon appointment as detailed below. Their fees were agreed on a time cost basis together with their reasonable disbursement costs. Prior to the commencement of the Administration, the Company made a payment on account of £10,000 in relation to the legal costs incurred.

The following comprises my disclosure to creditors in order to meet the requirements of Statement of Insolvency Practice 16 as regards the pre-pack sale.

Role of the Insolvency Practitioner

I was introduced to the Board of the Company by the Joint Supervisor, Mark Reynolds of Valentine & Co on 22 June 2020. I first met with the Board and their representatives on 23 June 2020 to discuss the financial affairs of the Company and Insolve Plus was formally engaged by the Board on 24 June 2020. Prior to the commencement of the Administration I advised the Board as a whole, acting on behalf of the Company, about the Company's financial difficulties and provided advice about the options available to the Company to help determine an appropriate course of action to take. No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, I was still required to act in my dealings with the Company in accordance with the Insolvency Code of Ethics. Prior to being appointed as Joint Administrator, I advised the Board on the various options available to the Company, liaised with the Board, asset agents, solicitors acting for the Company, solicitors acting for the Joint Supervisors in respect of an imminent winding-up petition and the Joint Supervisors themselves in respect of the details of the pre-pack sale.

The Company was placed into Administration and I was appointed Joint Administrator. As Joint Administrator I am an officer of the Court and I have taken over the management of the Company from the Board. As indicated above, the purpose of this Administration is to achieve objective (b), achieve a

better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

In order to help me achieve the objective I have a wide range of powers, as set out in the insolvency legislation, and I must perform my functions as quickly and efficiently as is reasonably practicable. I must also act in the interests of the creditors of the Company as a whole other than where objective c) is being pursued I need only ensure that I do not unnecessarily harm the interests of the creditors of the Company as a whole.

Pre-appointment considerations

The case was introduced to Insolve Plus by one of the Joint Supervisors, Mark Reynolds of Valentine & Co on 22 June 2020.

Following our instruction, a number of alternative courses of action was considered in light of the imminent failure of the CVA.

The Company was already subject to a CVA and therefore continuing with the current CVA was not an option.

The Director could have taken steps to place the Company into Creditors' Voluntary Liquidation ("CVL"), although this does not provide protection from creditor action in the period from when the meeting to place a company in to CVL is convened to when the meeting is held. Furthermore, the business would have to cease to trade thus significantly reducing the value of the Company's assets. The cessation of trade would have led to the employees being made redundant resulting in claims arising for unpaid wages, holiday pay, notice and redundancy.

In addition, were the Company to enter CVL this would also adversely affect the collectability of the debtor ledgers as many of these debtors had ongoing contracts with the Company which would be cancelled. Furthermore, the value of the goodwill relating to these contracts would be diminished. Debtor realisations also tend to be lower in a Liquidation scenario.

Steps could have been taken to place the Company into Compulsory Liquidation or the Board could have simply done nothing and waited for the Joint Supervisors to petition for the winding-up, which, as previously stated, would have happened imminently, had a Notice of Intention to Appoint Administrators been filed. These options would have resulted in the same outcome as those set out in relation to a CVL, above.

The Company would not qualify for the new Moratorium procedure.

It was not considered possible for the Joint Administrators to trade the business for the following reasons and therefore no request was made to potential funders to fund working capital requirements.

1. The downturn in activity due to the COVID-19 Pandemic meant that it would be highly unlikely that the Joint Administrators could trade profitably during any trading period.
2. Health and Safety.
3. COVID-19 Pandemic and the inability to have staff on site to monitor trading.

The various courses of actions and the possible outcomes have already been discussed above.

I consulted the Joint Supervisors on the proposed Administration, the decision not to trade and on the details of the proposed pre-pack sale.

The Joint Supervisors had a in depth knowledge of the business and the difficulties it had faced, both in recent years and as a result of the the COVID-19 Pandemic, they were representing the majority of the creditors of the Company and were preparing to issue a winding-up petition. The Joint Supervisors confirmed, in writing, that they supported the proposed course of action.

The pre-pack sale of the business enables me to achieve the objective set out above as it achieves a better result for the creditors as a whole than would be likely if the Company had been placed into Liquidation without first being in Administration, as I have indicated above. I can also confirm that the outcome achieved as a result of the pre-pack sale was the best available outcome for creditors of the Company as a whole in all the circumstances of the case.

Valuation of the business and assets

SIA Group ("SIA") of 107 Cheapside, London EC2V 6DN, members of the National Association of Valuers and Auctioneers (NAVA) were instructed to value and market the Company's assets. I confirm that SIA have confirmed their independence and carry adequate PII.

SIA have provided two values, estimated Market Value In-Situ and Market Value Ex-Situ (Assets sold as individual items – 90 days).

Market Value (In-Situ) – This is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. This valuation basis further assumes that the assets are treated as follows:

- the plant and equipment will remain as a whole in-situ in their existing location following sale;
- the value provided is the gross value and does not allow for any agent's commission or other sale fees;
- all plant and equipment valued will be available for sale at the one time.

Market Value (Ex-Situ) – This is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. This valuation basis further determines that the assets are treated as follows:

- the plant and equipment has been valued as individual items for removal;
- the value provided is the gross value and does not allow for any agent's commission or other sale fees;
- all plant and equipment valued will be available for sale at the one time.

SIA were also instructed to value the Goodwill. Whilst it appears to show the business currently producing an operating profit, it is viewed with caution as it is unlikely to include the full years trading expenditure and overhead costs. The significant factor is the continued trend in turnover being at circa 50% of historic levels.

SIA were advised that the Company has no formal registered IPR, Trademarks or Patents etc.

In valuing the Goodwill and forming their opinion of value, particular emphasis is placed on the following positives and negative key factors:

1. The established reputation in the market.
2. The technical know-how and market knowledge of the skilled workforce.
3. The continuity of supply to clients where existing skills, knowledge and spare parts exist within the business.

4. The significant investment in the website and marketing invested to establish the business and name within the industry.

Asset category	Valuation basis & amount (£)	
	(e.g. Market value in-situ)	(e.g. Market value ex-situ or Orderly Liquidation Value etc)
<u>Fixed charge assets</u>		
Goodwill/WIP/IPR	50,000	
<u>Floating charge assets</u>		
Office Furniture & Computer Equipment	2,290	784
Plant & Machinery	7,800	3,015
Stock	1,000	200
Total	61,090	3,999

The Goodwill, Plant & Machinery, and Stock were sold for total consideration of £40,000.

The fees and disbursements of SIA in relation to the sale of the business and assets were agreed on a fixed fee and 10% of gross realisations. I can confirm that their fees have not yet been paid, but will be paid as an expense of the Administration shortly.

Marketing of the business and assets

The business and assets of the Company were extensively marketed by SIA, prior to the appointment of the Joint Administrators. This was done via their own network of interested parties and two well-known business sale websites. Whilst there was significant interest, ten parties returned signed non-disclosure agreements. Of those ten, two decided to make formal written offers for the business and assets.

Details of the pre-pack sale

The Company assets were sold on 30 July 2020 to FMJ Solutions Limited of Room S1 Second Floor Chilterns House, Eton Place, 64 High Street, Slough SL1 7JT, a company controlled by Adrian Costin, Jetmir Leka, Mihai Paducel and Florian Popa.

The above-mentioned assets were sold for £40,000 with immediate payment. I confirm that the sum of £40,000 has been received by my Solicitor.

The offer was accepted following the recommendation of SIA who advised that this was the best sale price reasonably obtainable in the circumstances of this case as despite the marketing undertaken and

the enquiries made by other interested parties the offer from FMJ Solutions Limited was the highest offer received.

The assets sold consist of:

1. The Goodwill;
2. The Plant & Machinery;
3. The Stock;
4. The Benefit (subject to the burden) of the Business Contracts; and
5. The Business Intellectual Property Rights.

The value received for the sale of the assets is slightly lower than the valuation obtained. I believe that this is a direct result of the COVID-19 Pandemic. Potential purchasers were reluctant to take risks or make significant purchases in the current global crisis.

The sale consideration is not based upon the trade and performance of the purchaser and therefore no future monitoring of the purchaser is required. There are no options, buy-back arrangements, deferred consideration or other conditions attached to the contract of sale.

The sale of assets to FMJ Solutions Limited is not part of a wider transaction.

Further to the reasons mentioned earlier in this report it was not possible to trade the business and therefore had the sale not been agreed the employees of the Company would have been made redundant which would have led to substantial claims for redundancy and notice pay as the majority of those employees have been employed for a significant number of years.

It should also be noted that as part of the sale agreement, the purchaser has undertaken to honour any defects liabilities in respect of works completed by the Company, prior to Administration. This should have a dramatic impact upon the collectability of the debtor ledger. The benefit of which significantly outweighs the slight disparity between the valuation and the sale consideration.

The purchaser has purchased all of the Company's assets and the employees have been transferred for the purposes of TUPE 2006 (Transfer of Undertakings (Protection of Employment) regulations) ("TUPE"). As a result of the sale, the employees jobs have been preserved.

Conclusion

The pre-pack was in the interest of creditors as a whole as it was not possible to continue to trade the Company due to the current CVA, various Health & Safety regulations in place and the ongoing COVID-19 pandemic, and the Joint Administrators anticipated that it would not produce a profit during any trading period therefore a quick sale was appropriate in this instance.

The seamlessness of a pre-pack sale minimises erosion of customer and client confidence, thus preserving the value of the assets, in particular the Goodwill element and work-in-progress. It also avoids protracted procedural delays and consequently results in lower costs.

The ability to complete the sale within a rapid timescale ensured the continuity of the business. It has also meant that the assets could be sold in-situ.

Furthermore, the employees have been transferred under TUPE therefore removing employee uncertainty (especially during the COVID-19 pandemic) and ensuring that any employee liability transfers to the purchaser, rather than remaining with the Company.

The pre-pack sale also helped preserve the value of debtor ledger as many of those debtors have on-going contracts and therefore there cannot be any counter-claims for breach of contract. In addition, the purchaser has agreed to carry out any remedial works which will also enhance the collectability of the book debts.

I confirm that the sale price achieved, and also the outcome, was the best available outcome for creditors of the Company as a whole in all the circumstances of the case and that the pre-pack sale achieves the statutory purpose of the Administration that I am seeking to achieve in respect of the Company.

The delay in providing creditors with details of the pre-pack sale was due to the Director not providing me with a list of the creditors.

5. FINANCIAL POSITION OF THE COMPANY

I have asked the director to prepare a summary of the Company's estimated financial position as at 30 July 2020, which is known as a Statement of Affairs, but he has not yet prepared it as this has only just been requested of him.

In the absence of a Statement of Affairs I have prepared an estimate of the financial position of the Company as at 30 July 2020 from the records of the Company, this is attached at Appendix I. I attach a copy of the estimated Statement of Affairs, together with a list of names and addresses of all known creditors and the amounts of their debts.

5.1 Assets

5.1.1 Business & Assets

On 30 July 2020, the assets were sold to FMJ Solutions Limited for the sum of £40,000 which has been received in full.

5.1.2 Book debts

The estimated value of book debts is £780,350 and after applying a provision for bad debts it is expected that £390,175 will be realised.

5.1.3 Funds held by Joint Supervisors

The Joint Supervisors of the CVA are holding funds which they collected in relation to post-CVA tax liabilities and the Director's Overdrawn Loan Account. I am in correspondence with the Joint Supervisors to establish the amount of the funds they are holding and how those funds will be treated. I will provide creditors with an update in a subsequent report.

5.2 Liabilities

There may be additional liabilities that will be made known to us as Joint Administrators in due course. All outstanding liabilities are subject to further review and adjudication.

5.2.1 Fixed Charge Creditor

HSBC Bank plc hold a fixed and floating charge over the Company's assets. The amount owing to HSBC is approximately £107,284.

5.2.2 Preferential creditors

I am not aware of any preferential creditors.

5.2.3 Prescribed Part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000

The Company gave a floating charge to HSBC Bank plc on 12 May 2017 and the prescribed part provisions will apply. The Administrators' estimate of the financial position of the shows that the net property of the Company is £430,175, and I estimate that the prescribed part of the net property for unsecured creditors is £322,891. However, these estimates do not take into account the costs of the Administration which will reduce the amount of the Company's net property. Even after taking into account the costs of the Administration I still envisage being able to make a distribution of the prescribed part of the net property to the unsecured creditors, but I am unable to estimate the amount of that distribution at present.

5.2.4 Unsecured Creditors

Total unsecured creditors, as per the attached list amount to £1,378,127. This includes an amount of £1,324,163 being owed to HM Revenue & Customs in respect of VAT, PAYE/NICE and Corporation Tax.

6. ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

I attach a summary of the receipts and payments relating to the Company for the period from when it entered Administration on 30 July 2020 to the date of these proposals at Appendix 2.

To date there has not been any receipts or payments.

7. PROPOSED FUTURE ACTIONS OF THE ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

In order to achieve the objective of the Administration of the Company I propose to collect the Company's outstanding book debts and liaise with the Joint Supervisors in respect of the balance held by them.

I will be in contact with HSBC Bank plc to ascertain the amount owing to them. Once this has been clarified, and following the realisation of assets, I will be in a position to make a payment the secured and unsecured creditors.

8. ADMINISTRATORS' REMUNERATION AND EXPENSES

I attach a copy of my practice fee recovery policy. In this case I am seeking to fix the basis of my remuneration on a fixed fee and percentage of realisation basis as detailed below:

Fixed fee basis:

There are certain tasks that I have to carry out on nearly every case, namely Administration and dealing with Creditors. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

Administration: This represents the work that is involved in the routine administrative functions of the case by the office holders and their staff, together with the control and supervision of the work done on the case by the office holders (and their managers). It does not give direct financial benefit to the creditors, but has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Creditors:

Claims of creditors - the office holders need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holders will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

I am seeking a fixed fee of £18,500 plus VAT in respect of this work. In addition to the work specific to the case for which I will be remunerated on a fixed fee basis, as detailed above, information about the routine work that I will also undertake on a fixed fee basis is attached.

I consider that this is a more complex case, as highlighted above, and consider that after taking into account the nature and value of the assets involved, this demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken.

Percentage basis:

There are certain tasks that are carried out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. The work is undertaken to protect and then realise the assets, initially at this Practice's own cost, suffering the loss if any asset is not recoverable. If assets are recovered, the office holders' costs are first recovered and then any balance is distributed. A percentage basis is being sought as it reflects the risk being taken, the nature of the assets involved, the complexity of the insolvency assignment and shares the anticipated benefit with the creditors.

The office holders will, therefore, be seeking fees based on the percentages of asset realisations listed below (net of any fixed charges or finance). Creditors should note that these charges will not be levied on the first £18,500 of realisations if the office holder has drawn a fixed fee as detailed above. The percentage proposed is expected to produce a fair and reasonable fee to reflect the work that is necessarily and properly undertaken to realise assets.

- Equity in Freehold / Leasehold Property

25%

• Plant & Machinery / Fixtures & Fittings / Stock	25%
• Goodwill / Intellectual Property Rights / Investments	25%
• Book Debts / Work in Progress / Rent Deposit	20%
• Equity in Motor Vehicles	20%
• Cash at Bank / Funds held by reporting accountant	15%
• HM Revenue & Custom Refunds	15%
• In relation to any other asset recovery arising from the Office Holders investigations (e.g. antecedent transaction recoveries)	50%

I am seeking to be remunerated on the basis of a percentage of assets realised in respect of the work I am undertaking to realise those assets. I have selected percentage charges for each asset that relate to the type of asset being realised and the work involved in realising that type of asset. In addition to the work specific to realising the asset for which I will be remunerated on a percentage basis, as detailed above, information about the routine work related to asset realisations that I will also undertake on a percentage basis is contained in Appendix 4.

I think the percentages I am seeking approval for reflects the risk that I am taking, the nature of the assets involved, and the complexity of the case, as highlighted above.

While I am required to maintain records of creditors' claims in all cases, in those cases where sufficient realisations are made to enable me to pay a dividend to creditors, I have to undertake certain statutory formalities. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

The office holders will in addition be seeking remuneration as a percentage of the value of total distributions to creditors (excluding fixed charge creditors) (to be deducted from the total distribution including Prescribed Part payments), as listed below. This reflects the additional work on creditors claims to facilitate a distribution to creditors

• The first £20,000	25%
• The next £80,000	15%
• Over £100,000	10%

In addition to the work specific to paying a dividend to creditors for which I will be remunerated on a percentage basis, as detailed above, information about the routine work related to the payment of dividends that I will undertake on a percentage basis is contained in Appendix 4.

I think the percentage I am seeking approval for reflects the number of creditors involved and the work involved in agreeing claims given that this is a routine case, as highlighted above. I believe that this demonstrates why the percentage proposed is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken.

The work for which fee approval is being sought includes the work that will need to be undertaken should the Joint Administrators be appointed Liquidators either following conversion to Creditors' Voluntary Liquidation or upon the making of a winding up order.

If a Creditors' Committee is appointed, it will be for the Committee to approve the basis of the Joint Administrators' remuneration and category 2 expenses. If a Committee is not appointed, then I will be seeking a decision from the creditors at the same time I seek a decision from them on whether or not to approve these proposals.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.insolveplus.com/faq. There are different versions of these Guidance Notes, and in this case please refer to the April 2017 version. Please note that we have also provided further details in the practice fee recovery sheet.

I have used the following agents or professional advisors since my appointment as Administrator:

Professional Advisor	Nature of Work	Fee Arrangement
SIA Group Keidan Harrison	Valuer/Auctioneer Solicitors	Fixed Fee & % of Realisation Time Cost

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

My expenses incurred to date amount to £1,116 and represent:

Type of expense	Amount incurred/accrued since appointment	Amount still to be paid
Specific Bond	£1,030	£1,030
Statutory Advertising	£96	£96

I have not yet drawn any expenses in this matter.

I also propose that I am permitted to charge and recover what are known as category 2 expenses. Details of my category 2 disbursement recovery policy are included within our practice fee recovery sheet enclosed as Appendix 3.

The following category 2 disbursements have been incurred to date:

Type of category 2 disbursement	Amount incurred/accrued since appointment	Amount still to be paid
Mileage	£74.70	£74.70

Expenses do not have to be approved, but when reporting to any committee and the creditors during the Administration together with any subsequent Liquidation, the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences (for example, where legal costs rise due to escalated recovery action).

9. PRE-ADMINISTRATION COSTS

The Board of Directors and members of the Company instructed me to assist them in placing the Company in Administration on 23 June 2020. They agreed that I should be paid my pre-administration costs as a fixed fee of £15,000 plus VAT.

As a prelude to the Company going into Administration, the Directors of Insolve Plus Ltd were involved in discussions with the Directors of the Company to obtain background information to ascertain the Company's position in respect of its financial affairs.

The work undertaken by Insolve Plus Ltd pre appointment was carried out in order to firstly establish whether an Administrator could be appointed and secondly on establishing the prospect of the purpose of the Administration being achieved.

This work included searches of the Company's file at Companies House; reviewing the last filed annual accounts; reviewing the CVA documentation; devising and agreeing a forward looking strategy; discussing our potential appointment as Joint Administrators with the Director and Joint Supervisors' and reviewing whether the purpose of an Administration was capable of being achieved.

By recommending that the Company enters Administration would provide a controlled mechanism to protect the business from any creditor action, enable the Joint Administrators to seek a sale as a going concern and ensure continuity of supply to the customers which will improve the collectability of the debtor ledgers and preserve the jobs of the employees, especially during the current COVID-19 Pandemic.

I also assisted the Board to take the appropriate steps to place the Company into Administration. This task, together with some of the other tasks mentioned above are required by statute or regulatory guidance, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

The following statement sets out my pre-administration costs incurred. Approval is being sought to pay them from Administration funds.

Description	Paid pre-appointment	To be paid
	£	£
Insolve Plus Ltd pre-appointment fees	nil	15,000
Total	nil	15,000

If a Creditors' Committee is appointed, it will be for the Committee to approve payment of the pre-administration costs that have not yet been paid. If a Committee is not appointed, then since the pre-administration costs that have not yet been paid cannot be approved as part of these proposals, I will be seeking a separate decision from the creditors in accordance with rule 3.52 at the same time I seek a decision from them on whether or not to approve these proposals.

10. ADMINISTRATORS' INVESTIGATIONS

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

11. EC REGULATION ON INSOLVENCY PROCEEDINGS

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading address are in the United Kingdom.

12. ADMINISTRATORS' PROPOSALS

In order to achieve the objective set out at section 3 above, Mark Newton and I formally propose to creditors that:

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we:
 - (i) realise the Company's assets at such time and on such terms as we consider appropriate;
 - (ii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
 - (iii) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that I, Lloyd Hinton am appointed the Liquidator of the Company.

Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved. Information about the approval of the proposals is set out at section 13.

- (c) the Administration of the Company will end by giving notice to the Court, creditors and Registrar of Companies that the objective of the Administration has been achieved.

13. APPROVAL OF PROPOSALS

I am seeking decisions by correspondence from the creditors to approve my proposals, approve my pre-administration costs, fix the basis of my remuneration, and to approve my category 2 disbursements. If a creditor wishes to vote on the decisions, they must complete and return the enclosed voting form to me by no later than 23.59 on 28 August 2020, the decision date. If a creditor has not already submitted proof of their debt, they should complete the enclosed form and return it to me, together with the relevant supporting documentation. A vote on the decisions by a creditor will not count unless they have lodged proof of their debt by no later than 23.59 on 28 August 2020.

Creditors are also invited to determine whether to form a Creditors' Committee, and a notice of invitation to form a Creditors' Committee and further instructions are enclosed. To enable the creditors to make an informed decision as to whether they wish to either seek to form a Committee, or to nominate themselves to serve on a Committee, further information about of the role of the Committee and what might be expected from its members has been prepared by R3 and can be found is available at the link <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/more/29111/page/1/liquidation-creditors-committees-and-commissioners/>

Please note that I must receive at least one vote by the decision date or the decisions will not be made. I would therefore urge creditors to respond promptly.

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within 5 business days of the delivery of the notice that accompanies this letter. Such requests must be supported by proof of their debt, if not already lodged. I will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

14. FURTHER INFORMATION

To comply with the Provision of Services Regulations, some general information about Insolve Plus, including about our complaints policy and Professional Indemnity Insurance, can be found at www.insolveplus.com

If creditors have any queries regarding these proposals or the conduct of the Administration in general, or if they want hard copies of any of the documents made available on-line, they should contact Sabrina Frappaolo on the above telephone number, or by email at sabrinafrappaolo@insolveplus.com

Yours faithfully

A handwritten signature in black ink, appearing to be 'Lloyd Hinton', written in a cursive style.

Lloyd Hinton FIPA
Joint Administrator

The Joint Administrators are agents of the Company and act without personal liability.

AA Lighting Contractors Limited
Company Registered Number: 07014455

Estimated Statement Of Affairs as at 30 July 2020

	Book Value £	Estimated to Realise £
ASSETS		
Business & Assets	40,000.00	40,000.00
Book Debts	780,350.00	390,175.00
		<u>430,175.00</u>
LIABILITIES		
PREFERENTIAL CREDITORS:-		NIL
		<u>430,175.00</u>
2nd PREFERENTIAL CREDITORS:-		NIL
		<u>430,175.00</u>
DEBTS SECURED BY FLOATING CHARGES PRE 15 SEPTEMBER 2003 OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		NIL
		<u>430,175.00</u>
Estimated prescribed part of net property where applicable (to carry forward)		NIL
		<u>430,175.00</u>
DEBTS SECURED BY FLOATING CHARGES POST 14 SEPTEMBER 2003		
HSBC Bank Plc	107,284.00	107,284.00
		<u>322,891.00</u>
Estimated prescribed part of net property where applicable (brought down)		NIL
		<u>322,891.00</u>
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	53,964.37	
H M Revenue & Customs - PAYE	626,576.24	
H M Revenue & Customs - VAT	697,585.80	
H M Revenue & Customs - CT	1.00	
		<u>1,378,127.41</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(1,055,236.41)
		<u>(1,055,236.41)</u>
Issued and called up capital		
Ordinary Shareholders	40.00	40.00
		<u>40.00</u>
TOTAL SURPLUS/(DEFICIENCY)		<u>(1,055,276.41)</u>

AA Lighting Contractors Limited
B - Company Creditors

Key	Name	Address	£
CA00	Access Hire Ltd	Unit F, Trident Park, Rosie Road, Normanton, West Yorkshire, WF6 1ZB	1.00
CA01	Aggregate Industries Ltd	Edwin Sims Hotel, Vallis Road, Frome, BA11 3EG	1.00
CA02	Alphabet GB Ltd	Alphabet House, Summit Avenue, Farnborough, Hampshire, GU14 0FB	2,975.82
CA03	Aviva Insurance	St Helen's 1, Undershaft, London, EC3P 3DQ	2,720.56
CA04	Allianz Insurance Plc	PO Box 10509, 51 Saffron Road, Wigston, LE18 9FB	8,400.00
CB00	Bartletts Country Stores	3-5 St Andrews Industrial Estate, Bridport, Dorset, DT6 3EX	1.00
CB01	Boris Software Ltd	199 Wells Road, Bristol, BS4 2DB	1.00
CB02	Boyle Highways Ltd	Compound R40, Codham Hall Farm, Great Warley, Brentwood, Essex, CM13 3FB	1.00
CB03	BT (Remus Ave. Northumberland)	Post Point TH16, Eldon House, Charter Row, Sheffield, S1 3FF	1.00
CB04	BMW Financial Services	Europa House, Bartley Way, Hook, RG27 9UF	1.00
CB05	Beck	Unit 1 Sleepbirt Business Centre, Bedlington, Northumberland, NE22 7DD	1.00
CB06	BT Openreach	Openreach Post Point TH16, Eldon House, Charter Row, Sheffield, S1 3EF	1.00
CC00	C&R Outdoor Lighting	Unit 4B, 4B Boxted Farm, Berkhamsted, Road, Hemel Hemstead, Herts, HP1 2SG	1.00
CC01	Cable Services Outdoor Lighting Ltd	Group Accounts Office, Rhosddu Industrial Estate, Rhosrobin, Wrexham, LL11 4YZ	1.00
CC02	CEF	Anglia Division, Georgina Mackle House, 141 Farmer Ward Road, Kenilworth, Warwickshire, CV8 2SU	1.00
CC03	Chevron Traffic Management Ltd	3 Thame Bsness Park, Wenman Road, Thame, Oxfordshire, OX9 3XA	1.00
CC04	Citrus Training Limited	Citrus Group House, Diamond Way, Nene Park, Irthlingborough, Northants, NN9 5QF	1.00
CC05	Cleveland Containers	Cleveland House, Eston Road, Grangetown, Middlesborough, TS6 6UA	1.00
CC06	Contego Safety Solutions Ltd	Wearmaster House, Malthouse Lane, Hurstpierpoint, West Sussex, BN6 9LA	1.00
CC07	Cable Connections	Unit 11 Challenge Enterprise Centre, Sharps Close, Portsmouth, PO3 5RJ	1.00
CE00	Eclipse Diamont Products Limited	Unit 14 West, Cannock Way, Cannock Close, Enterprise Centre, Rugeley Road, Hednesford, WS12 0QU	1.00
CE01	Electrical Testing Ltd	The Bridge, Acle, Norfolk, NR13 3AT	1.00
CE02	Elliott Group Limited	Manor Drive, Petersborough, PE4 7AP	1.00
CE03	Express Hire	The Barn, Slepe Farm, Poole, Dorset, BH16 6HS	1.00
CE04	EE Ltd	Trident Place, Mosquito Way, Hatfield, AL10 9BW	600.00
CE05	Enterprise	Battlefield Enterprise Park, Shrewsbury, SY1 3AB	753.28
CF00	Farnborough Van & Truck Hire Ltd	26 Chapel Lane, Hawley, Farnborough, Hants, GU14 9BE	1.00
CF01	Focus Group	Focus House, Ham Road, Shoreham-By-Sea, BN43 6PA	413.59
CG00	Gather Consulting Limited	7 Charmouth Court, St Albans, Hertfordshire, AL1 4SH	1.00
CG01	Geebor Development Company Limited	5 Buckingham Place, Bellfield Road West, High Wycombe, Buckinghamshire, HP13 5HQ	1.00

AA Lighting Contractors Limited
B - Company Creditors

Key	Name	Address	£
CH00	HM Revenue & Customs (VAT)	General Insolvency Unit, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	697,585.80
CH01	HM Revenue and Customs (CT)	Corporation Tax Services, BX9 1AX	1.00
CH02	HM Revenue and Customs (PAYE)	ICHU, RM BP 3202, Benton Park View, Longbenton, Newcastle Upon Tyne, NE98 1ZZ	626,576.24
CH03	Henshaws	150 Moss Lane, Macclefield, Cheshire, SK11 7XF	1.00
CH04	Hirelt	Thames Works, Church Street, Chiswick, London, W4 2PD	1.00
CH05	HPT	South West, PAT Test Ltd, Unit 17, Dorcan Business Village, Swindon, SN3 5HY	1.00
CH07	HSBC Equipment Finance (UK) Ltd	12 Calthorpe Road, Edgbaston, Birmingham, B15 1HS	3,297.48
CH08	HSBC Bank Plc	PO Box 260, 46 The Broadway, W5 5JR	107,284.00
		Security Given: Fixed & Floating Charge; Date Given: 12/05/2017; Amount: 0	
CJ00	Jewsons	Merchant House, Binley Business Park, Binley, Coventry, CV3 2TT	1.00
CJ01	Jungheinrich UK	Sherbourne House, Sherbourne Drive, Tilbrook, Milton Keynes, MK7 8HX	1.00
CJ02	Jungheinrich Financial Services Ltd	Sherbourne House, Sherborne Drive, Tilbrook, Milton Keynes, MK7 8HX	377.68
CL00	Lapwing UK	New Road, Pershore Worcestershire, WR10 1BY	1.00
CL01	Lyreco	Deer Park Court, Donnington Wood, Telford, Shropshire, TF2 7NB	1.00
CM00	Millstream Associates Limited	10 Queens Road, Aberdeen, Scotland, AB15 4TZ	1.00
CM01	Monkey Tower	North Wing Offices, Ingatestone Hall, Ingatestone, Essex, CM4 9NS	1.00
CM02	MRR Solutions Ltd	54-56 Omskirk Street, St Helens, WA10 2TF	1.00
CN00	National Windscreens	Charles Pugh (Windscreens) Ltd, Longwood Road, Broomhill Industrial Estate, Pinxton, Nottingham, NG16 6NT	1.00
CN01	Nationwide Platforms Limited	15 Midland Court, Central Park, Lutterworth, Leicestershire, LE17 4PN	1.00
CN02	NEST	Nene Hall, Lynch Wood Business Park, Petersborough, PE2 6FY	1.00
CN03	Network Rail	ACCS receiveable Dept, PO Box 4150, 4 Travis Street, BS4 2DB	5,512.53
CN04	Northgate	Northgate Centre, Lingfield Way, Darlington, DL1 4PZ	4,000.00
CP00	Principal	Principal House, Parsonage Business Park, Harold Hill, Romford, RM3 8TS	1.00
CR00	Rexel	Unit 3 Cowley Business Centre, Watlington Road, Cowley, Oxford, OX4 6NH	1.00
CS00	SES	Unit 3C, Tonbridge Works, Tonbridge Road, Harold Hill, Romford, RM3 8TS	1.00
CS01	Signways	Signway House, Stroudley Road, Basingstoke, RG24 8UG	1.00
CS02	Speedy Iron	58 Lincoln Road, Cressex Business Park, High Wycombe, Bucks, HP12 3RG	1.00
CS03	Street Furnishings	Festival House, Mulberry Hill, Wargrave, Berkshire, RG10 8EE	1.00
CS04	Scottish and Southern EN	Scottish Electric, Power Distribution PLC, Walton Park, Walton Road, Cosham, PO6 1UJ	1.00
CS05	SSE	PO Box 514, Basingstoke, RG21 8WS	1.00

AA Lighting Contractors Limited
B - Company Creditors

Key	Name	Address	£
CS06	Shell	Shell Centre London, SE1 7NA	22,627.63
CT00	Tarmac	PO BOX 16766, Portland House, Bickenhill Lane, Birmingham, B37 9DE	1.00
CT01	Trakglobal	Global House, Westmere Drive, Crewe Business Park, Crewe, CW1 6ZD	1.00
CT02	Travis Perkins	PO Box 5227, Northampton, NN5 7ZE	1.00
CT03	TTS	13 Harveys Nurseries, Peppard Road, Emmer Green, Reading, RG4 8TW	1.00
CV00	Virgin Media	Unit 1-12 Mayfair Business Park, Broad Lane, Bradford, BD4 8PW	2,156.00
CV00	Willbox	Manor House Avenue, Millbrook, Southampton, SO15 0LF	1.00
CV01	Waterlogic	Angel Springs Ltd, Shaw Road, Wolverhampton, WV10 9LE	1.00
CV02	Wessex Water	Credit Control, Claverton Down Road, Claverton Down, Bath, BA2 7WW	1.00
CV03	WPD	Accounts Receivable, Herald Way, Pegasus, Business Park, Castle Donington, DE74 2TU	1.00
CV04	Warren Access	Brunswick Lnd Estate, Newcastle, NE13 7BA	76.80
70 Entries Totalling			1,485,411.41

AA Lighting Contractors Limited
Register of Shareholders

Key	Name	No of Shares		Other	Total
		Pref	Ordinary		
HA00	Robin Anghel	0.00	40.00	0.00	40.00
I Entries Totalling		0.00	40.00	0.00	40.00

AA Lighting Contractors Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Appendix 2

Statement of Affairs £		From 30/07/2020 To 12/08/2020 £
	ASSET REALISATIONS	
390,175.00	Book Debts	NIL
40,000.00	Business & Assets	NIL
		NIL
	FLOATING CHARGE CREDITORS	
(107,284.00)	HSBC Bank Plc	NIL
		NIL
	UNSECURED CREDITORS	
(1.00)	H M Revenue & Customs - CT	NIL
(626,576.24)	H M Revenue & Customs - PAYE	NIL
(697,585.80)	H M Revenue & Customs - VAT	NIL
(53,964.37)	Trade & Expense Creditors	NIL
		NIL
	DISTRIBUTIONS	
(40.00)	Ordinary Shareholders	NIL
		NIL
(1,055,276.41)		NIL
	REPRESENTED BY	
		NIL

Fixed fee and percentages of realisations and distributions

Where the approved basis of remuneration is as a fixed fee and/or on a percentage of realisations and distributions, the charges are applied as follows, unless otherwise specified and approved;

Fixed fee basis

There are certain tasks that have to be undertaken in nearly every insolvency assignment, namely Administrative duties and dealing with Creditors. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

Administration: This represents the work that is involved in the routine administrative functions of the case by the Office Holder and their staff, together with the control and supervision of the work done on the case by the Office Holder (and their managers). It does not give direct financial benefit to the creditors, but has to be undertaken by the Office Holder to meet their requirements under the Insolvency legislation and the Statements of Insolvency Practice, which set out the required practice that Office Holders must follow.

Creditors: Employees - The Office Holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Service (RPS). That work will include dealing with queries received from both the ex-employees and the RPS to facilitate the processing of the claims. The Office Holder is required to undertake this work as part of his statutory functions.

Claims of creditors - the Office Holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The Office Holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The Office Holder is required to undertake this work as part of his statutory functions.

This Firm's past time records have been reviewed and after taking into account the complexity of the insolvency assignment, concluded that a fixed fee of £18,500 plus VAT is necessary to cover administrative work. This fee is to be drawn from the asset realisations at the Office Holder's discretion, as and when funds are available. A fixed fee of £18,500 plus VAT for undertaking that work in the insolvency assignment is being sought. This demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that is anticipated to be necessarily and properly undertaken. Information about the work that will be undertaken for the fixed fee is listed below. Please note that the list includes generic tasks that may not be necessary every time, but arise in a typical case and are expected to be necessary in this case. If any one task is not required it would not make a material difference to the amount of work done for which approval of the fixed fee is being sought.

- Dealing with anti money laundering compliance requirements
- Undertaking statutory notifications to Companies House and Creditors, including gazetting the Office Holders appointment
- Arranging the statutory advertising of the appointment
- Case planning and devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case
- Obtaining a specific penalty bond
- Reviewing adequacy of specific penalty bond on a regular basis
- Setting up and maintaining case files
- Setting up the case on the Office Holders electronic case management system ("IPS") and entering data
- Convening and holding meetings of members and creditors where applicable
- Dealing with decision making procedure
- Dealing with all routine correspondence and emails relating to the case
- Opening, maintaining and managing Office Holders estate bank account
- Creating, maintaining and managing Office Holders cash book

- Undertaking regular reconciliations of the estate bank account(s)
- Undertaking regular reviews of the progress of the case
- Filing returns at Companies House
- Preparing and filing Corporation Tax return
- Preparing and filing VAT returns
- Case reviews at one month, three months, six months and thereafter every six months
- Overseeing and reviewing the work on the case by the case administrators
- Attending to correspondence with creditors and others, including emails
- Attending to telephone calls with creditors
- Maintaining creditor information
- Attending to correspondence and telephone calls with directors and shareholders
- Attending to correspondence and telephone calls with other parties including HM Revenue & Customs
- Statutory investigations into the affairs of the Company and dealings of the directors
- Preparation and submission of statutory reports to the Secretary of State
- Preparing, reviewing and issuing statutory reports to creditors and members
- Obtaining information from the case records about employee claims
- Completing documentation for submission to the Redundancy Payment Office
- Corresponding with the Redundancy Payments Office regarding employee claims
- Dealing with all employee matters, including the Redundancy Payments Service and pension schemes
- Corresponding with employees in respect of their claims
- Ascertaining the existence of a pension scheme
- Submitting the relevant pension notification (if applicable)
- Arranging for the winding up of the pension scheme (if applicable)
- Recovering and listing the books and records of the case
- Conducting an initial investigation with a view to identifying potential assets by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors, and others
- Reviewing the books and records of the case to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors
- Obtaining closure clearance from government departments such as HMRC
- Preparing and issuing final report
- Holding final meetings and preparing minutes, where applicable
- Preparing and sending final returns to Companies House/the Court
- Archiving case records and books and records
- Filing final returns at Companies House (if applicable)

The above list is not exhaustive, but provides an overview of the work anticipated to be carried out in the insolvency assignment, which is either required by Statute or necessary to perform the basic duties of an Office Holder, but may not necessarily provide a direct financial benefit to creditors.

If the case remains open for more than two years an additional fee of £5,000 plus VAT will be charged, per annum, from the third year onwards, to cover the administrative and statutory work required to keep the case open.

Percentage basis:

There are certain tasks that are carried out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. The work is undertaken to protect and then realise the assets, initially at this Practice's own cost, suffering the loss if any asset is not recoverable. If assets are recovered, the Office Holder's costs are first recovered and then any balance is distributed. A percentage basis is being sought as it reflects the risk being taken, the nature of the assets involved, the complexity of the insolvency assignment and shares the anticipated benefit with the creditors.

The Office Holder will, therefore, be seeking fees based on the percentages of asset realisations listed below (net of any fixed charges or finance). Creditors should note that these charges will not be levied on the first £18,500 of realisations if the Office Holder has drawn a fixed fee as detailed above. The percentage proposed is expected to produce a fair and reasonable fee to reflect the work that is necessarily and properly undertaken to realise assets.

• Equity in Freehold / Leasehold Property	25%
• Plant & Machinery / Fixtures & Fittings / Stock	25%
• Goodwill / Intellectual Property Rights / Investments	25%
• Book Debts / Work in Progress / Rent Deposit	20%
• Equity in Motor Vehicles	20%
• Cash at Bank / Funds held by reporting accountant	15%
• HM Revenue & Custom Refunds	15%
• In relation to any other asset recovery arising from the Office Holders investigations (e.g. antecedent transaction recoveries)	50%

The Office Holder will in addition be seeking remuneration as a percentage of the value of total distributions to creditors (excluding fixed charge creditors) (to be deducted from the total distribution including Prescribed Part payments), as listed below. This reflects the additional work on creditors claims to facilitate a distribution to creditors

• The first £20,000	25%
• The next £80,000	15%
• Over £100,000	10%

The work undertaken on a percentage basis includes, but is not limited to, the following:

- Arranging suitable insurance over assets
- Regularly monitoring the suitability and appropriateness of the insurance cover in place
- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with banks regarding the closure of accounts
- Instructing agents to value known assets
- Disposing of the business and assets
- Dealing with Retention of Title claims
- Liaising with agents with regard to the realisation of assets
- Instructing solicitors to assist with the realisation of assets
- Registering cautions in respect of properties
- Instructing solicitors to assist with the sale of leasehold/freehold properties
- Obtaining details from secured creditors in respect of debts secured over assets
- Liaising with secured creditors in respect of the realisation of charged assets
- Determining ownership of assets such as properties and vehicles
- Issuing notice of intended dividend and placing an appropriate notice
- Reviewing and adjudicating on proofs of debt received from creditors
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims
- Calculating and paying dividends
- Paying tax deducted from dividends paid to employees

Time cost basis

Where the approved basis of remuneration is on a time costs basis, work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 June 2019 are as follows:

Directors	£450 - £595
Associate Directors	£450
Managers	£350
Senior Administrators	£250

Administrators	£175
Cashiers	£125
Office Junior	£75

Disbursement recovery

Category 1 disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Insolve Plus and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing and room hire. Document storage and associated services is charged at cost.

If an asset agent is required on a case it is anticipated that they would be paid approximately £1,000 plus VAT for providing a valuation report; but this may vary according to the size and complexity of the assets. If that agent is then required to assist with the sale of those assets it would be anticipated that the agent would receive approximately 10% of gross realisations. In the event that the office holder instructs a debt collection agent it is anticipated that the agent will be paid a percentage of debtor realisations. This percentage will vary from approximately 5% to 25% depending upon the age and complexity of the debt. If the Office Holder is required to instruct a solicitor it is anticipated that the solicitor will charge on a time cost basis which would be monitored by the office holder and disclosed to creditors in future progress reports.

Category 2 disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by Insolve Plus and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an Office Holder's remuneration. When seeking approval, an Office Holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by Insolve Plus are as follows:-

Room hire (internal)	£150
Virtual meeting	£100
Photocopying/scanning (internal)	15p per side
Business mileage	45p per mile

In certain circumstances it may be necessary for Insolve Plus Ltd, or a third party, to fund certain costs and or disbursements of the insolvency assignment. These may include, but are not limited to, statutory bond, statutory advertising, legal fees and disbursements, agents' fees and disbursements, storage and site clearance. In the event that Insolve Plus Ltd, or a third party, does agree to fund these costs and disbursements and the funds remain outstanding for at least six months from the date the monies were paid out, Insolve Plus Ltd, or the relevant third party, can charge a 100% uplift to the assignment in question when funds become available. This charge is at the discretion of Insolve Plus Ltd or the third party. It represents a reasonable charge when considering the risks associated with funding insolvent estates. It is in line with, or less than, comparable funding arrangements such as disbursement funding policies or conditional fee arrangements. It means that asset recoveries can be made in circumstances which would otherwise not be economic. For the avoidance of doubt, if the funds are available in the insolvent estate to settle the relevant costs within the six month time period, but the Office Holder/Insolve Plus Ltd decided not to settle the costs at that time, Insolve Plus Ltd would not be entitled to the uplift as the funds were available, but they have chosen not to draw them.

All costs are subject to VAT, where applicable. The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.

1 June 2019

Appendix 4: Details of work to be undertaken in the Administration and subsequent Liquidation

A: Work for which the Administrators are seeking to be remunerated on a fixed fee basis:

This Firm's past time records have been reviewed and after taking into account the complexity of the insolvency assignment, concluded that a fixed fee of £18,500 plus VAT is necessary to cover administrative work. This fee is to be drawn from the asset realisations at the Office Holder's discretion, as and when funds are available. A fixed fee of £18,500 plus VAT for undertaking that work in the insolvency assignment is being sought. This demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that is anticipated to be necessarily and properly undertaken. Information about the work that will be undertaken for the fixed fee is listed below. Please note that the list includes generic tasks that may not be necessary every time, but arise in a typical case and are expected to be necessary in this case. If any one task is not required it would not make a material difference to the amount of work done for which approval of the fixed fee is being sought.

- Dealing with anti money laundering compliance requirements
- Undertaking statutory notifications to Companies House and Creditors, including gazetting the Office Holders appointment
- Arranging the statutory advertising of the appointment
- Case planning and devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case
- Obtaining a specific penalty bond
- Reviewing adequacy of specific penalty bond on a regular basis
- Setting up and maintaining case files
- Setting up the case on the Office Holders electronic case management system ("IPS") and entering data
- Convening and holding meetings of members and creditors where applicable
- Dealing with decision making procedure
- Dealing with all routine correspondence and emails relating to the case
- Opening, maintaining and managing Office Holders estate bank account
- Creating, maintaining and managing Office Holders cash book
- Undertaking regular reconciliations of the estate bank account(s)
- Undertaking regular reviews of the progress of the case
- Filing returns at Companies House
- Preparing and filing Corporation Tax return
- Preparing and filing VAT returns
- Case reviews at one month, three months, six months and thereafter every six months
- Overseeing and reviewing the work on the case by the case administrators
- Attending to correspondence with creditors and others, including emails
- Attending to telephone calls with creditors
- Maintaining creditor information
- Attending to correspondence and telephone calls with directors and shareholders
- Attending to correspondence and telephone calls with other parties including HM Revenue & Customs
- Statutory investigations into the affairs of the Company and dealings of the directors
- Preparation and submission of statutory reports to the Secretary of State
- Preparing, reviewing and issuing statutory reports to creditors and members
- Obtaining information from the case records about employee claims

- Completing documentation for submission to the Redundancy Payment Office
- Corresponding with the Redundancy Payments Office regarding employee claims
- Dealing with all employee matters, including the Redundancy Payments Service and pension schemes
- Corresponding with employees in respect of their claims
- Ascertaining the existence of a pension scheme
- Submitting the relevant pension notification (if applicable)
- Arranging for the winding up of the pension scheme (if applicable)
- Recovering and listing the books and records of the case
- Conducting an initial investigation with a view to identifying potential assets by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors, and others
- Reviewing the books and records of the case to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors
- Obtaining closure clearance from government departments such as HMRC
- Preparing and issuing final report
- Holding final meetings and preparing minutes, where applicable
- Preparing and sending final returns to Companies House/the Court
- Archiving case records and books and records
- Filing final returns at Companies House (if applicable)

The above list is not exhaustive, but provides an overview of the work anticipated to be carried out in the insolvency assignment, which is either required by Statute or necessary to perform the basic duties of an Office Holder, but may not necessarily provide a direct financial benefit to creditors.

The work undertaken on a percentage basis includes, but is not limited to, the following:

- Arranging suitable insurance over assets
- Regularly monitoring the suitability and appropriateness of the insurance cover in place
- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with banks regarding the closure of accounts
- Instructing agents to value known assets
- Disposing of the business and assets
- Dealing with Retention of Title claims
- Liaising with agents with regard to the realisation of assets
- Instructing solicitors to assist with the realisation of assets
- Registering cautions in respect of properties
- Instructing solicitors to assist with the sale of leasehold/freehold properties
- Obtaining details from secured creditors in respect of debts secured over assets
- Liaising with secured creditors in respect of the realisation of charged assets
- Determining ownership of assets such as properties and vehicles
- Issuing notice of intended dividend and placing an appropriate notice
- Reviewing and adjudicating on proofs of debt received from creditors
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims
- Calculating and paying dividends
- Paying tax deducted from dividends paid to employees

Notice of invitation to form a Creditors' Committee

**AA LIGHTING CONTRACTORS LIMITED - In Administration
In the High Court of Justice Number 002953 of 2020**

(Company Number 07014455)

NOTICE IS GIVEN by Lloyd Hinton and Mark Newton to the creditors of AA Lighting Contractors Limited of an invitation to form a Creditors' Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016.

1. Creditors are invited to determine whether a Creditors' Committee should be established.
2. A Committee may be formed if a minimum of 3 and a maximum of 5 creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
4. Please complete the section below, and include the name and address of any person you wish to nominate to act as a member of the Committee. The completed document should be returned to Allan House, 10 John Princes Street, London, W1G 0AH so that it is received by no later than 23.59 on 28 August 2020, the decision date.

The final date for the decision about the formation of a Committee and for nominations for members of the Committee is 28 August 2020, the decision date.

DATED THIS 12TH DAY OF AUGUST 2020



**Lloyd Hinton FIPA
Joint Administrator**

AA LIGHTING CONTRACTORS LIMITED - In Administration
In the High Court of Justice Number 002953 of 2020

Voting on Resolution

I. That a Creditors' Committee should be established.

For/Against

I wish to nominate the following creditor to act as a member of the committee:

Name of nominated creditor _____

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: _____

Dated _____

Notice of decisions by correspondence

AA Lighting Contractors Limited – In Administration In the High Court of Justice Number 002953 of 2020

(Company Number 07014455)

Notice is given by Lloyd Hinton and Mark Newton to the creditors of AA Lighting Contractors Limited that set out below are decisions for your consideration under Paragraph 51 of Schedule B1 of The Insolvency Act 1986. Please complete the voting section below indicating whether you are in favour or against the following decision:

- i. That the Joint Administrators' proposals be approved.
- ii. That the Joint Administrators' pre-Administration costs, the details of which are set out in the Joint Administrators' proposals and issued with the notice of the decision procedure, be approved.
- iii. That the Joint Administrators' fees be approved on a combination of a fixed fee and percentage basis for different categories of work, details of which are set out in the Insolve Plus Ltd Insolvency Assignment Charging and Disbursement Recovery Policy dated 1 June 2019.
- iv. That the Joint Administrators' be permitted to recover category 2 disbursements.

The final date for votes is 28 August 2020, the decision date.

1. In order for their votes to be counted creditors must submit to me their completed voting form so that it is received at Insolve Plus Ltd, Allan House, 10 John Princes Street, London, W1G 0AH by no later than 23.59 hours on 28 August 2020. It must be accompanied by proof of their debt, (if not already lodged). Failure to do so will lead to their vote(s) being disregarded.
2. Creditors must lodge proof of their debt (if not already lodged) at the offices of the Joint Administrators by no later than 23.59 hours on 28 August 2020 without which their vote will be invalid.
3. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
4. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decisions provided they have lodged proof of their debt.
5. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decisions above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."
6. Creditors have the right to appeal the decision made by applying to Court under Rule 15.35 within 21 days of 28 August 2020, the decision date.

Creditors requiring further information regarding the above, should either contact me at Allan House, 10 John Princes Street, London, W1G 0AH, or contact Sabrina Frappalo by telephone on 020 7495 2348, or by email at sabrinafrappalo@insolveplus.com.

DATED THIS 12TH DAY OF AUGUST 2020

A handwritten signature in black ink, appearing to read 'Lloyd Hinton', with a stylized flourish at the end.

Lloyd Hinton FIPA
Joint Administrator

Notice of decision by correspondence
AA LIGHTING CONTRACTORS LIMITED In Administration
(Company Number 07014455)

Voting on Decisions

- i. That the Joint Administrators' proposals be approved.

For / Against

- ii. That the Joint Administrators' Pre-Administration costs, the details of which are set out in the Joint Administrators' proposals and issued with the notice of the decision procedure, be approved.

For / Against

- iii. That the Joint Administrators' fees be approved on a combination of a fixed fee and percentage basis for different categories of work, details of which are set out in the Insolve Plus Ltd Insolvency Assignment Charging and Disbursement Recovery Policy dated 1 June 2019.

For / Against

- iv. That the Joint Administrators' be permitted to recover category 2 disbursements.

For / Against

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of
creditor: _____

Signature of
creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which
signing
document: _____

Date: _____

PROOF OF DEBT
under rule 14.4 The Insolvency (England and Wales) Rules 2016

AA Lighting Contractors Limited - In Administration
In the High Court of Justice Number 002953 of 2020

Date of Administration: 30 July 2020

1	Name of creditor:	
2	Address of creditor:	
3	<p>Claim, including VAT, as at date of Administration:</p> <p>Less: any payments made after that date in relation to the claim; any deduction for discounts (except a discount for immediate or early settlement) which would have been available but for the insolvency proceedings; and any adjustment as a result of set-off</p> <p>Total claim, including VAT</p>	<p>£</p> <p>£</p> <p>£</p>
4	The amount of any uncapitalised interest that is include in the claim, if any.	£
5	Particulars of how and when the debt was incurred	
6	<p>Please provide details of any documents by which debt can be substantiated:</p> <p><i>(Notes - copies need not be supplied unless specifically requested by the office holder)</i></p>	
7	Particulars and value of any security held and the date it was given:	
8	<p>Signature of creditor or authorised person:</p> <p>NAME, IN BLOCK LETTERS:</p> <p>Creditor's reference:</p>	
9	<p>Position or relationship with creditor:</p> <p><i>(eg, director, accountant, credit controller etc)</i></p>	

Rule 18.9 – Creditors' and members' requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Rule 18.34 – Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").